

Remarks

Claims 25-29, 31-36, 38-59, and 61-77 stand rejected under 35 U.S.C. §103(a) as being unpatentable over U. S. Patent No. 6,234,389 to Valliani ("Valliani") in view of U. S. Patent No. 6,394,355 to Schlieffers ("Schlieffers").

In order to expedite allowance, applicants cancel claims 25-29, 31-36, and 38-43 without prejudice or disclaimer. It is emphasized that the cancellation of claims 25-29, 31-36, and 38-43 is without prejudice or disclaimer. Applicants reserve the right to claim the subject matter of the cancelled claims in a related application (*e.g.*, a continuing application or another application having a specification supporting the cancelled claims). Independent claims of the present application subject to rejection in the November 1, 2005 office action are as follows (claims 44 and 64 are amended herein):

44. (Currently Amended) A transaction terminal for reading information from a card in a retail point of sale transaction, said transaction terminal comprising:

a card reader unit for reading said credit card, said card reader unit including a slot for receiving said credit card, at least one magnetic stripe reader for reading magnetic stripe encoded data, and a smart card reader for reading encoded data of an integrated circuit disposed on said credit card;

a control circuit coupled to said card reader unit, said control circuit configured to receive information read from said credit card by said card reader unit;

a touch screen including a display and a touch screen overlay, said transaction terminal configured so that signature information can be entered into said touch screen utilizing a stylus; and

a housing encapsulating said control circuit and components of said credit card reader unit, said housing further supporting said touch screen, wherein said housing further includes a base and a top surface, said touch screen being disposed at said top surface, said housing further defining said slot of said card reader unit and further including a circumferential lip extending outwardly from said base, said circumferential lip extending about a perimeter of said housing, wherein said housing further has disposed thereon a holder apparatus for holding a stylus for use in entering data into said transaction terminal.

64. (Currently Amended) A transaction terminal for reading information from a credit card in a retail point of sale transaction, said transaction terminal comprising:

a card reader unit for reading said credit card, said card reader unit including a slot for receiving said credit card, at least one of a magnetic stripe reader for reading magnetic stripe encoded data, and a smart card reader for reading encoded data of an integrated circuit disposed on said credit card;

a control circuit coupled to said card reader unit, said control circuit configured to receive information read from said credit card by said card reader unit;

a signature capturing touch screen including a display and a touch screen overlay, said transaction terminal being configured so that signature information can be entered into said signature capturing touch screen utilizing a stylus; and

a housing encapsulating said control circuit and components of said credit card reader unit, said housing further supporting said signature capturing touch screen, wherein said housing further includes a base and an enlarged head portion, said enlarged head portion having a top surface, said signature capturing touch screen being disposed at said top surface of said enlarged head portion in such manner that said touch screen delimits a substantial portion of a top surface of said housing, said housing further defining said slot of said card reader unit, wherein said enlarged head portion defines a curved profile both from a top view of said transaction terminal and at least one of a side view and a front view of said transaction terminal.

70. (Previously Presented) A transaction terminal for processing debit or credit card POS transactions, said transaction terminal comprising:

a housing having a base, a top, and an enlarged head portion extending from said base to define a lip;

a touch screen disposed in said enlarged head portion comprising a display and a touch sensitive overlay, wherein said touch screen partially defines said housing top, said transaction terminal being configured so that signature information can be entered into said touch screen utilizing a stylus, said transaction terminal having a mode of operation in which a virtual keypad is displayed on said touch screen;

a detachable stylus holder detachably received on said housing; and

a card reader unit having a slot defined by said housing, said card reader unit having at least one of a magnetic stripe reader for reading magnetic stripe encoded data, and a smart card reader for reading encoded data electronically stored on a card.

According to *MPEP* §2143, three basic criteria must be met to establish a *prima facie* case of obviousness. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

In order to establish a *prima facie* case of obviousness an Examiner must demonstrate that there is suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art to modify the references or to combine reference teachings. *MPEP* §2143. Under *MPEP* §2144, the strongest rationale for combining references is a recognition, expressly or impliedly in the prior art or drawn from a convincing line of reasoning based on established scientific principles or legal precedent, that some advantage or expected beneficial result would have been produced by their combination. *In re Sernaker*, 702 F.2d 989 (Fed. Cir. 1983). The Examiner must present a

convincing line of reasoning supporting the rejections. *Ex parte Clapp*, 227, USPQ 972 (Bd. Pat. App. & Inter. 1985) also cited in *MPEP* §2144. The Examiner must present a convincing line of reasoning as to why the skilled artisan would have found the claimed invention to have been obvious in light of the teachings of the references. *Ex parte Clapp*, 227, USPQ 972, 973 (Bd. Pat. App. & Inter. 1985) cited in *MPEP* §2142.

In the outstanding office action the Examiner has presented a rationale for combining Valliani and Schlieffers as follows:

Valliani does not explicitly disclose a housing including a portion configured for grasping while the customer enters data using the touch screen. However, in the same field of endeavor, Schlieffers (Fig. 1-3) shows a hand held data acquisition terminal including "a housing portion for grasping by a customer while the customer enters data using the touch screen." *November 11, 2005 Office Action, Page 2.*

The Examiner has incorporated the same rationale for combining references with respect to each independent claim; 44, 64, and 70.

Applicants respectfully assert that the Examiner has not demonstrated *prima facie* obviousness as to any of pending claims 44, 64 and 70. Regarding claims 44, 64, and 70, applicants have amended claims 44 and 64 to clarify that a recited touch screen for claims 44 and 64 relates to a touch screen configured for stylus input. The clarification emphasizes that the claimed invention of claims 44, and 64 relate to stylus input signature input devices. With claims 44 and 64 amended to make reference to a display screen adapted for signature capturing, claims 44, and 64 now more positively set forth a combination of features of a signature capturing transaction terminal wherein the transaction terminal is adapted so that a housing thereof can be conveniently grasped during signature entry for stabilization.¹ Particularly in view of the above clarification the Examiner's rationale for combining Valliani and Schlieffers does not constitute a "convincing line of reasoning" for combining references. Specifically while claims 44 and 64 and the primary reference relate to a stylus

¹ Note that applicants in this section hereby point out an advantage of the recited combination features, and do not make reference to recited claim elements.

input signature capture device, Schlieffers does not teach a stylus input device. Also, while claims 44 and 64 relate to card reading devices, the device of Schlieffers relied upon by the Examiner for establishing motivation to combine references does not include a card reader. Schlieffers Fig. 9 shows a system 70 having a card reader 78, but the card reader is not incorporated into the housing of the device which the Examiner alleges provides motivation to make the claimed invention. In view of the above, applicants believe the statement of the Examiner that Schlieffers is from the same field of endeavor is not correct, at least for at least that reason applicants believe that the Examiner has not presented a convincing line of reasoning for combining references.

Regarding independent claims, applicants believe that the Examiner has not demonstrated a *prima facie* case of obviousness for the reason that the Examiner has not demonstrated, and has not alleged that the prior art has all of the limitations of the claimed invention. It is emphasized that for *prima facie* obviousness, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

Regarding claim 44, claim 44 among numerous other elements in combination recites a "housing further [having] disposed thereon a holder apparatus for holding a stylus." The Examiner does not demonstrate and does not allege that the relied upon prior art has the above combination of elements. At least because the Examiner has not demonstrated and has not alleged that the prior art has a "housing further [having] disposed thereon a holder apparatus for holding a stylus" in the specific combination recited, the Examiner has not demonstrated *prima facie* obviousness as to claim 44.

Regarding claim 64, claim 64 among numerous other elements in combination recites a "signature capturing touch screen being disposed at said top surface of said enlarged head portion." The Examiner does not demonstrate and does not allege that the relied upon prior

art has the above combination of elements. At least because the Examiner has not demonstrated and has not alleged that the prior art has a "signature capturing touch screen being disposed at said top surface of said enlarged head portion" in the specific combination recited; the Examiner has not demonstrated *prima facie* obviousness as to claim 64.

Regarding claim 70, claim 70 among numerous other elements in combination recites "a detachable stylus holder detachably received on said housing." The Examiner does not demonstrated and does not allege that the relied upon prior art has the above combination of elements. At least because the Examiner has not demonstrated and has not alleged that the prior art has "a detachable stylus holder detachably received on said housing" in the specific combination recited; the Examiner has not demonstrated *prima facie* obviousness as to claim 70.

Regarding the claims discussed herein, the applicants' selective treatment and emphasis of independent claims of the application should not be taken an indication that the applicants believe that the Examiner's dependent claim rejections are otherwise properly made. In fact, it is noted in the office action that the dependent claims are rejected without substantial, and in certain instances, without any reference to the limitations of the dependent claims in combination with the base claim elements. In rejecting claims for want of novelty or for obviousness, the Examiner must cite the best references at his/her command. When a reference is complex or shows or describes inventions other than that claimed by the applicant, the particular part relied on must be designated as nearly as practicable. The pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified. 37 C.F.R. 1.104(c)(2). If the Examiner will maintain the rejections of the claims including the dependent claims, the Examiner is respectfully requested to specify which claims are being rejected when references are discussed. The Examiner is further respectfully requested to specify each claim, including each dependent claim in making the rejections in accordance with the requirements of 37 C.F.R. §1.104. The dependent claims herein are believed to be allowable for their dependency on an allowable base claim and for the additional combination of elements they recite.

Also, while the applicants may have highlighted in certain instances herein specific elements of a claim for purposes of demonstrating an insufficiency of a claim rejection, the applicants emphasis on a specific claim element for such limited purposes should not be taken as an indication that the applicants have asserted that a claim herein is allowable for its recital of a specific element out of the context of the combination of elements recited.

The Examiner will note that applicants have added new independent claims 78, 89 and 95 and new dependent claims 79-88, 90-94, and 96-99. New independent claims 78, 89 and 95 are believed to be allowable in that they recite combinations of elements not shown or suggested in the relied upon prior art. New dependent claims 79-88, 90-94, and 96-99 are believed to be allowable by reason of their dependency on an allowable base claim and for the additional combinations of elements they recite.

Regarding the new claims, the Examiner will note that the dimensional limitations of former claims 32-34 are now recited in claims 83-85. In the office action of November 1, 2005 the Examiner rejected claims 32-34 stating that the recited dimensional limitations were a "design choice" rejection. However, when a rejection in an application is based on facts within the personal knowledge of an employee of the Office, the data shall be as specific as possible, and the reference must be supported, when called for by the applicant, by the affidavit of such employee, and such affidavit shall be subject to contradiction or explanation by the affidavits of the applicant and other persons. *37 C.F.R. §1.104*. Also, it is not appropriate for an Examiner to take official notice of facts without citing prior art reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well known. *In re Ahlbert*, 424 F2d 1088, at 1091 (CCPA 1970) cited in *MPEP §2144.03*. Applicants respectfully request the Examiner to provide evidence as is required under *37 C.F.R. §1.104* and under *MPEP §2144.03* if the Examiner is to maintain the design choice rejections request to applicants dimensional imitational claims, now claims 83-85.

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Amendment in Response to Office Action Dated March 1, 2006

Regarding the objection to the drawings filed May 28, 2002, applicants in a response dated July 7, 2005 filed a replacement drawing replacing May 28, 2002 filed drawing. It is believed that the drawing amendment dated July 7, 2005 fully responds to the objection to the May 28, 2002 drawing. If the Examiner wishes to maintain the objection to the drawings, the Examiner is respectfully requested to specify the reasons as to why the July 7, 2005 amended drawing does not fully address the drawing objection.

In reviewing the file wrapper applicants' representative noted that page 24 of the amendment filed July 7, 2005 inadvertently was not signed by applicants' representative. However, applicants' representative believes that the signature of the representative in the transmittal paper of the response may be sufficient. It is noted that applicants did not receive a notice of a non-complying amendment under *MPEP* §714.01(a). If the Examiner believes that the response dated July 7, 2005 requires a signature at page 24 of the response to be in compliance under *37 C.F.R.* §1.33 then the signature provided herein below by applicants' representative will constitute a ratification of the amendment dated July 7, 2005. See *MPEP* §714.01(a) and *37 C.F.R.* §1.135(c).

Accordingly, in view of the above amendments and remarks, applicants believe all of the claims of the present application to be in condition for allowance and respectfully request reconsideration and passage to allowance of the application.

If the Examiner believes that contact with applicants' attorney would be advantageous toward the disposition of this case, the Examiner is herein requested to call applicants' representative at the phone number listed below.

The Commissioner is hereby authorized to charge any additional fees associated with this communication or credit any overpayment to deposit Account No. 50-0289.

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Respectfully submitted,
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